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Study Shows Strong Link Between Waterways and State's Economy

Business Issue

The Missouri and Mississippi rivers were an important part of Missouri's first economy and continue today as vital links in the state's global economy. To effectively plan the maintenance and expansion of port facilities along Missouri's waterways, an understanding of the current situation and needs of waterway facilities was needed.

Approach

Based on the "Arkansas State Public Riverport Study and Needs Assessment," MoDOT collected data from several sources, including the U.S. Army Corps of Engineers and a survey of the public port authorities. Data collection focused on two issues: importance of waterways, especially Missouri's public port authorities, and the reported needs of Missouri's public port authorities. MoDOT completed this in-house study in March 2006^[1].

Importance reflects the port's economic activity and included size, employment, beneficiaries, potential for improvement, and cargo quantities in terms of annual tonnage and dollar value. Needs included general needs for navigation and specific port authority needs for infrastructure, equipment, or support facilities as reported by the public port authorities.

Findings

Importance

- ◆ Waterway transportation is an important part of a total transportation system. It is able to carry the largest cargo at the least costs, in a grade-separated system that connects Missouri to the wealth of the global market place.
- ◆ One full, standard tow between St Louis and Kansas City frees up 900 semi-trucks to carry other loads, and is equal to a convoy of trucks 45 miles long on I-70 that would burn 75,000 more gallons of fuel, increase congestion, and increase safety problems.

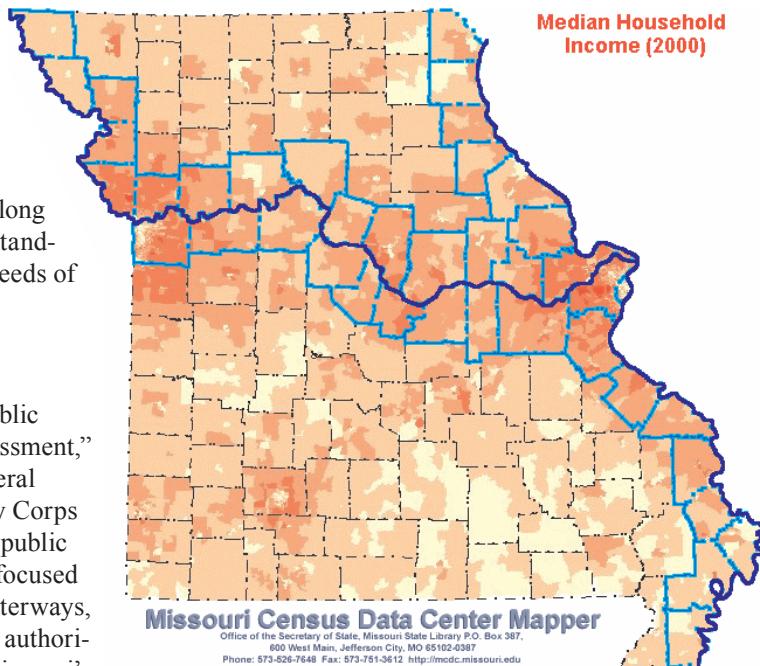


Figure 1, Wealth Along Missouri Waterways

¹ McMichael, Matthew, et al, Missouri Department of Transportation, (2006). Missouri Port Authorities: Assessment of Importance and Needs. Report OR 06-012, Missouri Department of Transportation, Jefferson City, MO, USA.

- ◆ In Missouri, 39 counties are waterway counties with another 44 close enough to benefit from waterways, which is about 70 percent of Missouri.



Figure 2, Barges dwarf semi-trucks at the SEMO Port Authority

- ◆ Missouri's waterways carry more than 34 million tons of cargo annually, worth an estimated \$2 billion annually.
- ◆ Missouri's public port authorities reported more than 2.7 million tons of cargo annually; worth an estimated \$190 millions annually, primarily farm supplies and products.



Figure 3, St Joseph's Highway, Railway, and Waterway Transportation Networks.

- ◆ Cost savings benefit Missouri farmers as primary users of waterway by reducing the transportation costs of bulk fertilizers, feed, and crops.

- ◆ The Missouri River has a potential to reach more farmers than either the Arkansas or Illinois rivers, carry cargo equal to 80 percent of a busy interstate parallel to I-70, encourage farm economies in most Missouri counties, and carry cargo worth billions of dollars per year.

Needs

- Different ports have different needs totaling millions of dollars per year and the needs should be evaluated on an individual basis.
- Infrastructure improvements are the most common need, as are short-term needs.
- Most of the individual port needs, and most of the cargo, are on the Mississippi River, especially south of St. Louis.
- Improved navigation on the Missouri River is a common economic need for more than 23 Missouri counties, more than 50 small Missouri communities, three public ports, dozens of private ports, and farmers in most Missouri counties.

Conclusions

Based on this data, we conclude the following:

- 1) The Missouri River has been and continues to be a source of wealth for the state.
- 2) Barge traffic on the Missouri River offers tremendous economies of scale.
- 3) Port authorities have diverse needs totaling millions of dollars each year.
- 4) There is a common need for improved navigation of the Missouri River.

Further Information:

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